



2014 REPORT

Program Assessment Comprehensive Evaluation

*Promoting
Government
Efficiency,
Transparency, and
Superior
Performance
through Program
Assessment
Comprehensive
Evaluation (PACE)*

Government
Efficiency and
Financial
Planning

Executive Summary

On Governor Pence's first day in office, he signed Executive Order 13-02, requiring the Government Efficiency and Financial Planning (GEFP) division of the Indiana Office of Management and Budget (OMB) to conduct procedural and operational audits of state government. These audits have taken place since the beginning of the Pence administration, and include the use and revision of agencies' key performance indicators (KPIs). From there, GEFP has worked to integrate agencies' KPIs with the Management and Performance Hub (MPH). This integration will allow GEFP to continually audit and review agencies' performance and efficiency.

The Program Assessment Comprehensive Evaluation (PACE) report includes a comprehensive study of all programs in the executive branch of state government.

As part of the evaluation process, GEFP studied each program's purpose, strategy, and activities, how the program advances one of the Governor's six Roadmap goals, how the program meets its internal strategic goals, how the agency manages its financial resources, and how the agency measures the program's performance.

The PACE report includes seven long-term recommendations aimed at enhancing government efficiency, transparency, and performance.

1. Make PACE a regular part of state operations by leveraging technology to continually audit state government programs
2. Develop a common language and culture surrounding program management by defining, classifying and cataloguing all state government programs
3. Create a program budget to tie all state government programs to specific line-items in the budget. This will tie program classification, program measures, and program funding together.
4. Centralize grants administration.
5. Centralize and maximize customer service operations.
6. Go paperless by moving from paper to electronic documentaries.
7. Save money and improve performance by eliminating and consolidating ineffective or outdated programs.

Efforts to identify and eliminate fragmentation, overlap, and duplication are currently underway. As part of the PACE review, GEFP recommends the elimination or consolidation of several existing programs. Reasons for these changes include lack of performance measurement, an end in federal funding, decreased program utilization, or duplicative services in more than one agency or division.

Introduction

In the interest of enhancing government efficiency, transparency, and performance, Governor Pence issued Executive Order 13-02 on his first day in office. This authorized the Government Efficiency and Financial Planning (GEFP) division of the Indiana Office of Management and Budget (OMB) to evaluate the overall performance of the programs of each instrumentality, agency, authority, board, or commission in the executive department of state government. From this evaluation, GEFP prepared a performance-based budgeting report for the OMB Director.

In order to accomplish this, GEFP conducted a procedural and operational assessment of state government, known as the Program Assessment Comprehensive Evaluation (PACE). The program performance evaluation form,¹ along with step by step instructions² were sent to agency heads and agency chief financial officers (CFOs) on June 16th, 2014, as a part of the Fiscal Year (FY) 2016 and 2017 operating budget instructions. GEFP defines a program as, “an organized set of activities directed toward a common purpose or goal that an agency undertakes or proposes to carry out its responsibilities.”³ Programs were to be defined and prioritized, then delivered to the program directors for completion of all evaluations.

The PACE was designed to assess agencies’ current level of competence with regards to defining, managing, and reporting on their programs for the purpose of developing a plan for performance-based budgeting. GEFP created detailed instructions, provided a question-by-question help text, and offered one-on-one agency question-and-answer sessions to assist agencies with their PACE form submissions. The expectation was that, given these guidelines, agencies would be able to organize and prioritize their programs by unique outcomes, easily identify the inputs associated with each program, correctly associate program purposes with the Governor’s roadmap priorities, and deliver the recent results of all internal, state, and federal performance measures.

PACE Overview

Five main sections comprised the program evaluation form. Each of the sections was created in order to gather information and better understand the program’s design, management, and outcomes. The five sections were as follows:

1. Program Overview

The purpose, strategy, and activities of the program were provided in this section. In addition to this overview portion, agencies supplied information on efficiency efforts, program duplication, and service alternatives. Agencies ranked their programs based on priority of importance to achieving the agency’s overall mission as stated in their submitted mission statement. Prioritization allows OMB to create a long-term financial plan that efficiently allocates resources to the programs most closely aligned with the strategic objectives of the agency. From this information, GEFP was able to understand the purpose and management of the program.

¹ Appendix A

² Appendix B

³ Source: Government Accountability Office

2. Roadmap Goals

This section asked agencies to indicate which of the Governor's goal(s) the program advances. The six goals are listed below. If the program did not advance the goals, agencies needed to justify how the program will advance the goals in the future. This section was created in order to identify how programs further the Governor's objectives.

- I. Increasing private sector employment
- II. Attracting new investment in Indiana, with emphasis on manufacturing, agriculture, life science, and logistics
- III. Improving the math and reading skills of elementary students
- IV. Increasing graduation rates
- V. Improving the quality of the Hoosier workforce
- VI. Improving the health, safety, and well-being of Hoosier families, especially children

3. Good to Great

Agencies rated their importance and were asked to identify how the program furthered the strategic objectives laid out in their Good to Great plan. This section was intended to better understand how programs within each agency advance internal goals.

4. Budget Overview

Agencies provided a brief history of their budget, funding sources, expenditures, revenues, full time equivalents (FTEs), and contract employees. Agencies were asked to evaluate how an increased, status quo, reduced, or eliminated budget would affect the program. From this information, GEFP determined if agencies are managing their resources programmatically and understanding their inputs.

5. Program Measure Overview

Agencies completed a form for each measure that is tracked internally, reported to the federal government, and/or reported to GEFP. The submissions required information on measure type, methodology, validity, benchmarking, targets, historic results, and opportunities and threats. The intent of this section was to determine if programs were measuring performance at all, measuring the right things, and had the necessary measures in place for managing the program.

General Findings and Recommendations

Quality of Submissions

Finding: Despite the detailed instructions, responses varied greatly in the breadth and depth of information provided. Inconsistencies with agency submissions and the information agencies have been providing for the Indiana Transparency Portal (ITP), such as the agency mission statement or program measures, were common. These issues help highlight challenges stemming from agencies' transition to fully performance-based management and budgeting.

Recommendation #1: Build a PACE Culture in State Government by Conducting Regular, Systematic Program Performance Audits –Performing continuous program performance audits, instead of simply completing a single, comprehensive, complex

performance audit every eight to ten years, would ensure that agency programs are consistent with the mission of the agency, the Governor's Roadmap goals, and ensure that agencies are adequately measuring each program's performance. The audits would consist of an initial agency and program analysis, mission statement review, program classification, data system inventory analysis, program measurement assessment and development, and creation of business intelligence dashboards to monitor performance in real-time.

Program Classification

Finding: A program is defined as, "an organized set of activities directed toward a common purpose or goal that an agency undertakes or proposes to carry out its responsibilities."⁴ While some agencies, such as the State Personnel Department (SPD), were able to successfully classify their programs, many agencies submitted at a macro level, classifying programs by fund or organizational structure. The evaluation was intentionally designed for the programmatic level in order to provide an accurate evaluation of the actual programs.

Recommendation #2: Program Classification Codes – *The State of Indiana needs to create a rigid inventory of programs by attaching a unique identification (ID) number to each approved program, similar to the budgeting line items. For instance, SPD's Invest in Your Health program, which consists of employee wellness activities, could be coded simply as 100111. Unique state program classification codes would create uniform program language and enable OMB to begin creating specific associations between line items and program resources to increase budgeting transparency statewide. Program classification codes would also assist the General Assembly in evaluating line-item funding requests versus existing program funding.*

Program Management

Finding: In addition to having programmatic understanding, the management of resources and activities at a programmatic level is essential. The capacity to connect the inputs, activities, and outputs of a program to the goals and desired outcomes is critical for performance-based management and budgeting. Figure 1 illustrates the logic model of a results-based program – a model which should be followed by the agencies in order to improve program management.⁵

⁴ Source: Government Accountability Office

⁵ Appendix C

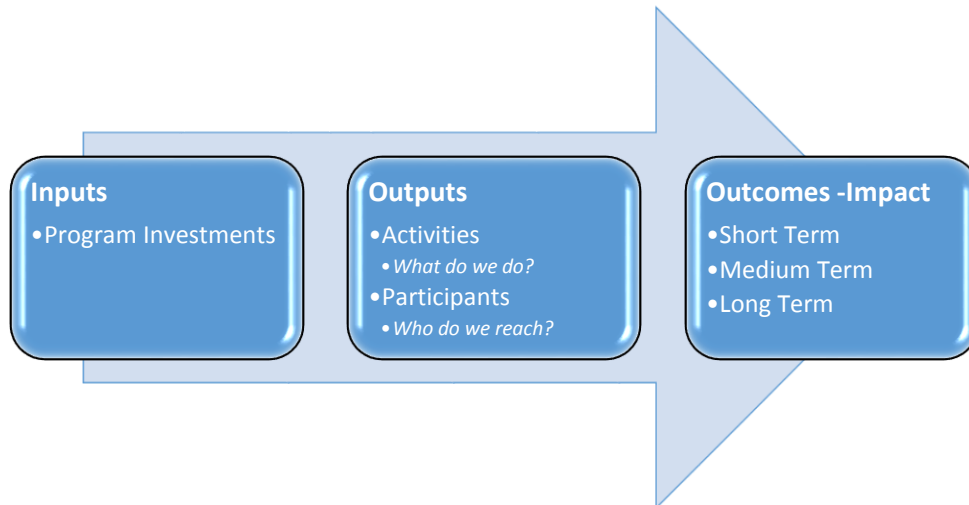


Figure 1

Performance Management

Finding: The 2006 Program Results and Outcome Based Evaluation (PROBE) report found that results were measured for only 46 percent of the programs assessed. Today, 100 percent of agencies report key performance indicators (KPIs), but only 89 percent of identified programs submitted measures for the PACE. Despite this increase, there were still significant issues with measure validity and methodology. This raises the question that while agencies are measuring something, are they measuring the right things and using their performance measures to manage their operations?

Recommendation #3: Program Performance Management – Agencies need assistance taking the next steps toward performance-based management and budgeting. While the foundational culture of performance measurement and accountability has been established, there is still a lack of organizational understanding necessary for programmatic performance management. In order to help agencies take the next steps, all agencies should begin working on a budget crosswalk for FY 2016. A budget crosswalk is a method of transforming line item appropriated budgets into program budgets. Identification of program resources such as dollars, employees, and technology is necessary to complete this crosswalk.

The first step of this process would be to implement recommendation #2 and assign program classification codes. Next, inputs for each program need to be identified in order to define the fiscal requirements necessary to develop program budgets. The last and most difficult step would require agencies to go line item by line item to identify the dollar amount each program would require from the agency appropriation.

The budget crosswalk process will require significant education to be successful, both with agency and legislative personnel. Agencies that present the greatest opportunity to benefit from the process should be targeted initially. Once agencies have been

prioritized, GEFP, in conjunction with the State Budget Agency (SBA), would work with agencies to complete the crosswalk. Utilizing the business intelligence tools available via the Management and Performance Hub (MPH), programs will be monitored (and, in the future, designed) with the necessary input, efficiency, output, and outcome measures to effectively manage programs. Once fully developed, agency program directors will be empowered to better manage their programs, understand their resources to achieve their goals, and be in position to implement performance-based budgeting.

Grants Administration

Finding: The administration of grants, both in terms of receiving and distributing, is done by numerous agencies. This disjointed approach to managing grants leads to fragmentation due to duplication of administrative functions and overlap of multiple programs having similar goals. Furthermore, there is a significant lack of data utilization and information for the distribution of grant resources. The 2006 PROBE report also recommended that Indiana needed to “establish a center of excellence for grants management systems to ensure statewide coordination and collaboration.”

***Recommendation #4: Central Grants Office** – The Office of State-Based Initiatives (OSBI) should become the statewide grants management office. Creating a central grants management office would provide numerous benefits, including the assurance that the state’s policy goals are understood by state agency personnel who are best-positioned to pursue grant funds to help meet those goals.⁶ This centralized agency would determine the specific program a grant applies to, monitor the cost of compliance for federal grants, and manage the performance of grant opportunities that the State has provided to localities and external organizations. Centralizing these services would also result in the elimination of duplicative administrative duties.*

Customer Service Operations

Finding: Numerous agencies have customer service operations or call centers as a means to handle questions or inquiries from Hoosiers. The operation of these call centers vary in terms of volume, technology, and other aspects. Numerous points of contact require independent operations and places the burden on the citizens and businesses for finding the right contact point for their inquiry. The lack of a comprehensive knowledge management system results in citizens’ issues not being resolved on the first point of contact and hold times when specific operations have high volume.

***Recommendation #5: Customer Service Centralization** – Advances in technology are transforming customer interactions. Finding more effective ways for individuals to interact with their government can improve the response to citizen needs and*

⁶ FFIS Special Analysis 14-04: Establishing a Grants Office

strengthen the relationship between Hoosiers and their State government. An evaluation of the different customer service operations and needs across state agencies should be conducted and opportunities to improve customer service systems should be explored. There should be consideration for a central access point for Hoosiers to go to for all of their needs. Furthermore, the modes of communication should be enhanced and expanded into a multimedia platform. The state should not only consolidate its call centers to more efficiently provide service, but Indiana should also expand the forms of communication that citizens can use to interact with and engage their government (e.g. text messages, interactive applications).

Paperwork

Finding: Electronic content continues to grow as the desired means for internal and external communication. Despite this approach, there are numerous instances in the Indiana Code that require State agencies to produce large volumes of paper documents. Furthermore, internal operations throughout the State are still heavily reliant on paper documents. The use of paper, where electronic submissions or electronic publishing would suffice, creates inefficiencies. Handling paper is labor and time intensive, incurring additional costs such as data entry, postage, and processing.

The Department of Revenue (DOR) provides an excellent example of improved efficiencies by reducing paperwork. The move to electronic filing has allowed DOR to significantly increase its processing speed. DOR processing space needs reduced by nearly one-third, and it were able to consolidate processing operations. This resulted in more than \$600,000 in annual savings, and earned DOR the Better Government Innovation award from the Midwestern State Association of Tax Administrators. Electronic processing also improved fraud detection capabilities, which resulted in more than \$100 million wrongfully requested tax refunds being blocked during the 2014 tax season.⁷

***Recommendation #6: Electronic Documentation** – The elimination of paper documentation, to the extent possible, will help create efficiencies and generate savings by avoiding printing and paper-sharing costs. The preference for digitally interacting with government is growing. Not only is this more convenient and efficient for Hoosiers, but it also eliminates the additional processes necessary when handling paper, such as data entry from paper to IT systems. Furthermore, agencies need to evaluate their printing practices to determine what can be eliminated or reduced. This may require agencies to identify antiquated statutes for modernization. For example, the State’s current Accounts Payable system could be fully automated through PeopleSoft to eliminate a system currently dependent on paper for issuing payments.*

Fragmentation, Overlap, and Duplication

Finding: The PACE evaluation revealed that program fragmentation is an issue hindering the effectiveness and efficiency of statewide goals. Evidence of fragmentation exists across numerous

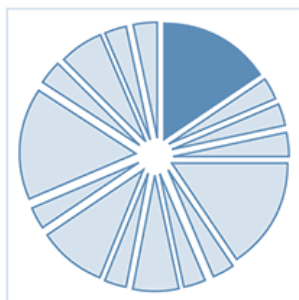
⁷ Source: Indiana Department of Revenue 2014 Annual Report

functions of government. The inefficiencies and ineffectiveness caused by fragmentation are further exacerbated due to program duplication and/or overlap. For example, numerous agencies are attempting to improve outcomes regarding school safety. The Department of Homeland Security administers the Secured Schools Grant Program and the Indiana State Police has a school safety initiative. This illustrates that rather than having a single coordinated approach toward school safety, there are multiple agencies approaching the same issues facing Hoosiers in a fragmented manner. Figure 2 describes the three main issues hindering government efficiency: fragmentation, overlap, and duplication.

Fragmentation refers to those circumstances in which more than one federal agency (or more than one organization within an agency) is involved in the same broad area of national need and opportunities exist to improve service delivery.

Overlap occurs when multiple agencies or programs have similar goals, engage in similar activities or strategies to achieve them, or target similar beneficiaries.

Duplication occurs when two or more agencies or programs are engaged in the same activities or provide the same services to the same beneficiaries.



Source: GAO.

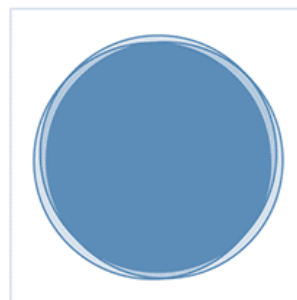
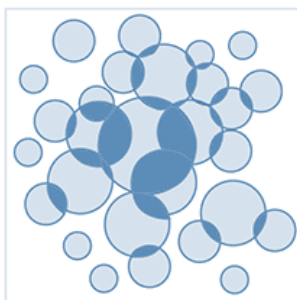


Figure 2

Recommendation #7: Identify and Eliminate Fragmentation, Overlap and Duplication – Agency mission statements identify the main goals and priorities of each agency and all programs within each agency should support these priorities. However, mission statements as submitted through PACE were frequently inconsistent with the mission statements found on agency websites or in OMB records. In some cases, agencies submitted different agency mission statements for different programs. Agencies should reassess their mission statements to ensure that they accurately reflect the priorities of the agency.

Program fragmentation, duplication, and overlap can easily be identified by determining if programs align with the agency's goals. Throughout the PACE process, multiple instances of fragmentation, duplication, and overlap were identified. These instances need to be fully evaluated and the programs should either be modified, transitioned to another agency, or eliminated.

Steps to address fragmentation, duplication and overlap are already under way. As part of the PACE review that generated this report, GEFP identified the following program issues and makes the following recommendations:

- GEFP recommends elimination or outsourcing of the following programs:
 - IDOA Parking Operations: (Department of Administration) Outsourcing of the IDOA Parking Operations would be of benefit to the state because it would improve the management and utilization of the State's parking facilities. The state does not specialize in parking management services, where an outside parking service provider could utilize state parking facilities to their full potential.
 - Title V Formula Grant (Criminal Justice Institute): This program was fully federally funded and federal funding for this grant has been eliminated. Title V Formula Grants focused on reducing risks and enhancing protective factors to prevent youth at risk of becoming delinquent from entering the juvenile justice system and to intervene with first-time and non-serious offenders to keep them out of the juvenile justice system Title II funds as well as Juvenile Detention Alternative Initiative (JDAI) funds currently fund similar programs.
 - Enforcing the Underage Drinking Laws (EUDL) Block Grant Program (Criminal Justice Institute): Federal funding for this grant has been eliminated. EUDL is a program that supports and enhances the efforts of states and local jurisdictions to prohibit the sale of alcoholic beverages to minors and the purchase and consumption of alcoholic beverages by minors. Program was fully federally funded and State did not provide a match.
 - INSPIRE (Indiana State Library): INSPIRE is a collection of academic databases and other information resources that can be accessed by Indiana residents. INSPIRE is outdated. There are two main contracts that provide access to resources and databases. GEFP found significant duplication of resources, content provided in the contracts that is readily available for free, and a large volume of content that lacks significant relevance. There are 3,060 journals that are duplicated in both contracts, which accounts for more than one-third of the journals provided in one of the contracts. Furthermore, initial findings from an ongoing analysis of users and their usage shows that over 84 percent of usage can be attributed to the universities in the state, both public and private. Currently the state is funding \$1.3 million for this program while all of the state university and colleges fund \$250,000 combined. If this program is continued, it is recommended that it be funded more proportionately by those who use the databases. A strategic sourcing initiative could be pursued to negotiate statewide pricing and discounts, which is the approach of other states such as the State of New York. A review of the impact on the Library Services and Technology Act (LSTA) grant funding is under way. Numerous options to mitigate impact are available and include pursuing a waiver or leveraging private donations, both of which have been pursued by other states. Potential annual savings from dedicated funds: \$1.3 million.
 - Genealogy Collection Program (Indiana State Library): This program provides services that could be provided by private organizations. As a cost savings measure, the

Collection should be digitized through a private genealogy provider who will pay the State a royalty for its use. Potential annual general fund savings: \$400,000.

- Public Library Standards and Library Certification (Indiana State Library): Indiana is one of only 11 states to administer librarian certification. IC 36-12-11-5 authorizes that the Library Certification Board shall “prescribe and define the qualifications of a library director, a head of a department branch, or a professional assistant of a public library” and IC 36-12-11-6 requires that “all library directors, library department or branch heads, and professional assistants” outside of educational institutions must be certified. These requirements should be discontinued in an effort to alleviate unnecessary red tape for the state and funds should be reduced to reflect the changes. Potential annual general fund savings: \$150,000.
- Waste Tire Reuse (Indiana Department of Environmental Management): Program was originally set up to promote the acceptance of waste tire recycling. However, this program has not granted out any funds since FY 2011 and the purpose has ultimately been taken over by the private sector. Potential annual savings from dedicated funds: \$32,000.
- GEFP recommends shifting funds from the following programs:
 - Specialized Services Program (FSSA – Division of Disability and Rehabilitative Services (DDRS)): The program provides required habilitation and supported employment services to intellectually disabled and developmentally disabled nursing home residents outside of the nursing home. Currently, the program is 100 percent state funded, but in discussing programming with FSSA, it was determined by FSSA that they could bill Medicaid and receive federal matching dollars at a 75 percent match. DDRS spent \$2.8 million in Calendar Year (CY) 2014 for these services. Going forward OMPP will file the proper amendments to begin covering the Specialized Service reducing the state expenditures by approximately \$2 million annually.
- GEFP identifies the following programs as duplicative and recommends another program provide the services:
 - Engineering (Department of Natural Resources): The services provided by this division of DNR are in many instances, duplicative of those offered by the Indiana Department of Administration (IDOA). IDOA and DNR should examine current engineering processes and the possibility of IDOA providing this or some services for DNR. Efficiencies could be maximized by reducing unnecessary duplication of work between the agencies. Current expenditures on this program: \$1.8 million.
 - Children’s Special Healthcare (Indiana State Department of Health): Upon initial viewing of the Children’s Special Healthcare (CSHC), Medicaid Assistance, and Children’s Special Health Insurance Program (CHIP), it was realized that the programs had similar eligibility standards and could be providing overlapping and duplicative services. Working directly with both the Office of Medicaid Policy and Planning (OMPP) and the Indiana State Department of Health to determine the extent at which overlap exists, it was determined that medical financing overlap exists, but is minimal. Efficiencies in

administrative overlap should be further evaluated and implemented to the greatest possible extent between CSHC and the State's Medicaid program.

- GEFP recommends the following programs be shifted to a different agency:
 - Senior Community Service Employment Program (Family and Social Services Administration): Senior Community Service Employment (SCSEP) is a federally funded, low performing program. The program is measuring the percentage of seniors entering employment upon completion and the number of those who entered employment, who maintain employment for 6 months. Data submitted for this program shows less than 50percent of individuals are entering employment. DWD services and infrastructure are available to serve this population. The State should look at integrating this program with DWD and transfer federal funding to more efficiently administer SCSEP as well as achieve better results.
 - Boating Infrastructure (Indiana Department of Environmental Management): This is a fully funded federal program that can be merged with IDEM's Clean Vessel Act and potentially shifted to DNR. Statutory authority pertaining to the activities falls under DNR. This would better maximize the State's use of funds by eliminating the current program fragmentation focusing on clean water initiatives.
 - Clean Vessel Act (Indiana Department of Environmental Management): See above recommendation for the Boating Infrastructure Program.

Summary and Conclusion

These general findings and recommendations span a broad spectrum of issues across numerous agencies. Executive Order 13-02 requires GEFP to, "prepare a performance-based budgeting report for the OMB Director including a plan for developing a system of performance-based budgeting to be incorporated in the FY 2016-2017 biennial budget process." Moving from the current operating environments across State agencies to pure performance-based budgeting will require significant changes, effort, and education.

The State's budget is a constraining structure that allots resources to agencies with financial controls and rules for their use. In contrast, the budget process is an enabling structure granting agencies the opportunity to present their programmatic objectives and align them with their necessary resources. PACE further enhanced the enabling structure of the budget process, providing agencies the opportunity to prioritize their programs and highlight their performance.

A program-based budget model would not only improve transparency but would help agencies utilize the advantages provided from PACE continually during the biennium. Each agency would receive the opportunity to showcase its successes. Furthermore, the state's long term financial planning and budgeting would become more performance-driven, allowing policymakers to reward agencies for successes by diverting resources from lower performing or lower priority programs.

Understanding that agencies are at different levels of readiness to implement a program budget, and pending Governor Pence's evaluation of the PACE recommendations, OMB will implement the approved recommendations and prepare agencies for performance-based budgeting in the next biennium. Our

proposed approach to the task of program budget crosswalks would be the creation of “strategic teams” that focus on one agency or program at a time. The “strategic teams” would focus first on three to five high priority agencies to complete budget crosswalks in conjunction with spend plans prior to FY 2016. Then, for FY 2017, OMB would complete the remaining budget crosswalks for agencies so that program budgets would be fully available to analyze during the FY 2018 and 2019 budget development process. In order to complete the budget crosswalks, OMB would provide solutions and assistance to aid program classifications, create program budgets, develop measures, and utilize the Management and Performance Hub to provide the tools for the most effective, efficient, and transparent management of government programs.

APPENDIX A – Performance Evaluation Form

| | |
|------------------------------|--|
| a. Agency Name: | <div>Enter the name of your agency.</div> |
| b. Agency Mission Statement: | <div>Provide the mission statement for your agency.</div> |
| c. Program Name: | <div>Provide the name of your program.</div> |
| d. Statutory Authority: | <div>List creation date and creation method of the program</div> |
| e. Program Director: | <div>Provide the senior staff member responsible for results.</div> |
| f. Program Purpose: | <div>Provide a clear, concise statement justifying the reason for the program's existence.</div> |
| g. Program Strategy: | <div>Define the individual goals and implementation plan that the program believes will help to achieve the program's purpose.</div> |
| h. Program Activities: | <div>List all activities, conferences, technology projects, marketing efforts, etc. associated with the program to help achieve its goals.</div> |
| i. Program Duplication: | <div>Identify if the program is designed so that it is not redundant or duplicative of other state, federal, local or private efforts.</div> |
| j. Service Alternatives: | <div>Identify why the government is uniquely qualified to administer this program in comparison to the private sector.</div> |
| k. Efficiency Efforts: | <div>Note all current projects that are designed to more effectively and efficiently administer the program.</div> |

APPENDIX A – Performance Evaluation Form

I. Program Priority Rank: out of total agency programs

2. Roadmap Goals

a. Which goal from the Governor's Roadmap does this program address:

- ☐ Increasing private sector employment
- ☐ Attracting new investment in Indiana, with emphasis on manufacturing, agriculture, life science, and logistics
- ☐ Improving the math and reading skills of elementary students
- ☐ Increasing graduation rates
- ☐ Improving the quality of the hoosier workforce
- ☐ Improving the health, safety, and well-being of hoosier families, especially children

b. Please expand on your selections:

Explain why you believe that the program is helping the Governor to achieve the above roadmap goals.

3. Good to Great

a. Program Importance to Good to Great Plan Success (5 being the greatest):

☒ 5 ☐ 4 ☐ 3 ☐ 2 ☐ 1

b. Please explain your selection above:

Justify your response as to why or why not this program helps to achieve the goals laid out in the agency good to great plan.

4. Budget Overview

a. PeopleSoft Funds:

| Fund ID | Project ID |
|---------|------------|
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| | |
| | |

b. Appropriations:

| | FY 11 | FY 12 | FY 13 | FY 14 | FY 15 |
|-------------------------------|-------|-------|-------|-------|-------|
| General Fund Appropriation: | | | | | |
| Dedicated Fund Appropriation: | | | | | |
| Federal Funding: | | | | | |
| Revenue Generated: | | | | | |
| Total Funding: | | | | | |

c. Annual Expenditures:

| | | | | |
|--|--|--|--|--|
| | | | | |
|--|--|--|--|--|

d. Full-time Equivalents:

| | | | | |
|--|--|--|--|--|
| | | | | |
|--|--|--|--|--|

e. Contract Employees:

| | | | | |
|--|--|--|--|--|
| | | | | |
|--|--|--|--|--|

f. Funding Implications:

Note if current funding levels are adequate to achieve the program purpose. Identify how an increased, status quo, reduced, and eliminated budget would affect the program.

APPENDIX A – Performance Evaluation Form

5. Program Measurement Overview

| | | | |
|---|----------------------|-----------------------|----------------------|
| a. Person Responsible for Monitoring Results: | <input type="text"/> | d. Data Systems Used: | <input type="text"/> |
| b. E-mail Address: | <input type="text"/> | | <input type="text"/> |
| c. Phone Number: | <input type="text"/> | | <input type="text"/> |

e. Please list measure:

Each measure reported by the agency should be completed individually. Please only list one measure in this box.

f. Does this measure accurately reflect the status of your program? ☐ Yes ☒ No

g. Why not?

If no, please identify why this is not an accurate assessment of performance.

h. Type of Measure (check one): ☒ Efficiency ☐ Input ☐ Output ☐ Outcome

i. Measure Calculation:

Break down how this measure is calculated mathematically.

j. Current targets: Green Target Yellow Target ☐ Targets Under Development

k. What other states, governmental units, or private entities have you researched to benchmark performance?

Provide examples of other state, not for profit, or private sector results.

l. What is the rationale for the setting of targets?

Provide information as to why the targets set are helping you to create an environment of continuous process improvement to achieve your desired outcomes.

m. Please provide historical data, if available (preferably quarterly, or other as needed):

| Quarterly Result | | | | Semi-Annual Result | | Annual Result | |
|------------------|----------------------|-----------|----------------------|--------------------|----------------------|---------------|----------------------|
| Q1 - 2010 | <input type="text"/> | Q1 - 2012 | <input type="text"/> | Jan-Jun 2010 | <input type="text"/> | 2010 | <input type="text"/> |
| Q2 - 2010 | <input type="text"/> | Q2 - 2012 | <input type="text"/> | Jul-Dec 2010 | <input type="text"/> | | |
| Q3 - 2010 | <input type="text"/> | Q3 - 2012 | <input type="text"/> | | | 2011 | <input type="text"/> |
| Q4 - 2010 | <input type="text"/> | Q4 - 2012 | <input type="text"/> | Jan-Jun 2011 | <input type="text"/> | 2012 | <input type="text"/> |
| | | | | Jul-Dec 2011 | <input type="text"/> | | |
| Q1 - 2011 | <input type="text"/> | Q1 - 2013 | <input type="text"/> | Jan-Jun 2012 | <input type="text"/> | 2013 | <input type="text"/> |
| Q2 - 2011 | <input type="text"/> | Q2 - 2013 | <input type="text"/> | Jul-Dec 2012 | <input type="text"/> | | |
| Q3 - 2011 | <input type="text"/> | Q3 - 2013 | <input type="text"/> | | | | |
| Q4 - 2011 | <input type="text"/> | Q4 - 2013 | <input type="text"/> | Jan-Jun 2013 | <input type="text"/> | | |
| | | | | Jul-Dec 2013 | <input type="text"/> | | |

n. What are your anticipated future program measure results?

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

o. Opportunities and Threats:

Identify any factors which could affect future measure performance. Summarize strategic opportunities or possible threats that have been identified.

Program Performance Evaluation Help Text:

1. Program Overview:

- a. **Agency Name:** Enter the name of your agency in full as well as any divisions you may be associated with.
- b. **Agency Mission Statement:** Every agency has a mission statement. If you are unsure of what this may be, please refer to your executive staff for clarification.
- c. **Program Name:** Your agency should have an organized list of programs being performed internally. OMB defines program as “an organized set of activities directed toward a common purpose or goal that an agency undertakes or proposes to carry out its responsibilities.”
- d. **Statutory Authority:** Identify when and how the program was created. Was the program created through federal grant funding, an act of the general assembly, an executive order, or some other option. Please cite any major legislative changes to the program.
- e. **Program Director:** Let us know who the senior staff member associated with this program is.
- f. **Program Purpose:** Justify the existence of the program. In what way does this program benefit the citizens of Indiana? What was the program originally designed to address? Who are the primary customers and stakeholders?
- g. **Program Strategy:** The program should have a series of objectives, strategies, and action plans that it intends to utilize in order to have a positive effect on the program purpose. What are those objectives, strategies, and action plans?
- h. **Program Activities:** The program should be completing a series of activities such as conferences, marketing activities, granting, daily operations, etc. that are attempting to have a positive effect on the program goals. What are the primary activities of this program?
- i. **Program Duplication:** Program duplication is another program that is similar in nature and may be performing series of tasks in order to achieve the same outcomes to the same stakeholders. Are there any programs in the federal government, state government, local government, or the private sector that are currently duplicating the efforts of the program?
- j. **Service Alternatives:** Discuss the feasibility of alternative methods of accomplishing the program’s mission, goals, and objectives, such as competitive contracting, public/private partnerships, consolidation with other programs or consideration of other innovative approaches.
- k. **Efficiency efforts:** Discuss any proposed modifications to the program to improve efficiency and effectiveness (e.g., proposed consolidation, contracting, etc.).
- l. **Program Priority Rank:** The agency should have created a priority listing of all agency programs. Please identify where this program ranks in regards to the number of programs identified within the agency.

2. Roadmap Goals

- a. **Governor’s Roadmap goals addressed:** The Governor in his 2014 Roadmap for Indiana has tasked all of us to achieve the 6 roadmap goals. Which of those goals does this program fit into? If it does not fit into one, please leave blank.
- b. Not all programs may be related to a roadmap goal. If no goals were selected, please identify why you believe it is not currently helping to achieve one of these goals, and how in the future, the program may be able to help affect one of the goals.

3. Good to Great

- a. Good to Great Importance:** The agency should have completed a Good to Great plan for the Governor. How strongly does the program fit into the agency priorities set in the Good to Great plan?
- 5 – The Good to Great plan cannot be achieved without the program.
 - 4 – The Good to Great plan is positively affected by the program.
 - 3 – The Good to Great plan is moderately affected by the program.
 - 2 – The program is not in the scope of the Good to Great plan.
 - 1 – The program has a negative effect on the Good to Great plan.
- b.** Justify your Good to Great selection/s.

4. Budget Overview:

- a. PeopleSoft Funds:** Identify all funding sources for the program by listing the PeopleSoft fund ID used by SBA. If the PeopleSoft fund is a federal fund, please provide the PeopleSoft project ID too (15 digits).
- b. Appropriations:** For FY 11-15, identify all general fund, dedicated fund, federal fund, and generated revenue by the program that contributed to funding the activities of the program. Please note only dollar figures associated with this program should be identified. If a fund was split between different programs, only the dollars used for this program should be for the appropriation.
- c. Expenditures:** For FY 11-15, identify the dollars spent by the program during the fiscal year.
- d. Full-time Equivalents:** Identify the number of full time equivalent state employees dedicated to this program. If an employee spends 25percent time on this program and 75percent on another, this would be .25 FTEs not 1.
- e. Contractors:** Identify the number of full-time equivalent contractors dedicated to this program. This would include contractors hired through both temporary staffing agencies and personal service agreements.
- f. Funding Implications:** Are current funding resources inadequate, adequate or excessive to achieve the program’s mission? Please identify what the program would change if funding were increased, decreased, or eliminated. If eliminated or reduced, would the program have other sources of funding?

5. Performance Measure Overview:

- a. Person Responsible for Monitoring Results:** Who within the program is responsible for calculating the results?
- b. Email Address:** Email of individual responsible for reporting.
- c. Phone Number:** Phone number of individual responsible for reporting.
- d. Data Systems Used:** Please list all technology used to collect data and calculate the program measurement. This could be a specifically designed data system, Microsoft Excel, piece of paper, etc.
- e. Measure:** Identify the measure title. If an OMB reported measure, please use exact language as seen on the transparency portal. results.in.gov
- f. Program Measure Status:** Let us know if the measure provides an accurate assessment of the program’s performance.
- g.** If you answer “no”, please clarify why the program feels this measure is not a good indicator of program performance and propose a measure that you feel would be a good indicator of program performance.
- h. Type of Measure:** Identify if a measure is an efficiency (cost/person), input (conferences attended), output (people served), or outcome based measure (Indiana smoking rate). *Please see below for more detail about measure types.*

- i. **Measure Calculations:** Identify how the measure is calculated by providing a detailed mathematic calculation of what periods and units are being measured.
- j. **Current Targets:** List your exceeding expectation target (green) and your meets expectation target (yellow). If an OMB measure, OMB will complete this for the agency.
- k. **Benchmark Performance:** Identify all sources of information that were used to research your targets. Please cite specific examples. OMB often uses national or regional averages to benchmark performance.
- l. **Target Rationale:** Based on the research, please explain why you chose the targets that you did.
- m. **Historical Data:** OMB will enter all historical information currently reported for measures reported to OMB. If there are any gaps in the historical information, please provide the results (if possible). You can search for gaps on the OMB transparency portal. results.in.gov
- n. **Future Anticipated Results:** This is an opportunity for the program to reveal the long term expectations. OMB is asking the program to assess itself and set expectations for themselves through the year 2020. Where does the program see itself going? If the measure is calculated quarterly or semi-annually, please give an estimation of the expectation for the final quarter of the calendar year.
- o. **Opportunities and Threats:** Identify any factors which could affect future program performance (e.g. expected changes in customers, proposed changes in federal or state laws that may impact performance, other key trends that may affect the program, etc.). Also, provide a summary of strategic issues, opportunities, and threats that have been identified.

Types of Performance Measures:

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| Efficiency | Efficiency measures are the amount of output or outcome achieved in terms of input, such as cost per participant in welfare-to-work programs, or cost per student. |
| Input | Inputs are human or material resources used, such as number of staff hours or classroom space used to conduct welfare-to-work programs. |
| Output | Outputs are the amount of service, effort, or activity produced or delivered, such as number of clients receiving job training or number of students in AP courses. |
| Outcome | Outcomes are results or the effectiveness of a service or effort, such as the number of clients employed for at least half time within six months of job training or the percentage of students who graduate from high school. |

Source: Hill, Carolyn J., and Laurence E. Lynn, Jr. Public Management: A Three-dimensional Approach. Washington, D.C.: CQ, 2009. Print.

